

CAPITAL PROJECTS FUNDS

The 2008 capital budgets were requested from the departments in May with a due date to be returned of June 29th. Amounts are assumed to be purchased during that year they have been budgeted.

Capital Outlay Fund – This fund is the primary fund used to account for new departmental capital outlays. These expenditures are funded by the tax levy and are under the direction of the department supervisor.

Equipment Replacement Fund - This fund is used to account for the rolling stock replacement program, which accumulates annual funding (from property taxes) for the replacement of vehicles and similar equipment in lieu of using borrowed monies.

Street Improvement Fund - This fund is used to account for the activities of the local road improvement program. Funding is provided by the tax levy and a every other year local road improvement grant from the State.

Capital Improvement Fund - This fund is used to account for land acquisitions, building projects and all public works projects and are usually funded with borrowed money or funding from some source other than the tax levy.

The Debt Service Fund supports the Capital Project Funds

Debt Service Fund - This fund is used to account for general obligation debt issued by the City to support the capital construction projects undertaken. Funding comes from tax levy, Special assessments collections, Impact fees and other sources.

CITY OF FRANKLIN

CAPITAL OUTLAY FUND

The projected 2009 tax levy for this fund of \$475,000 was not able to be increased from the 2008 tax levy amount. However, based upon the last several years experience that level is not a sustainable level that can meet the needs of the community for capital outlays on an ongoing basis. The departmental requests of about \$1,086,000 for 2009 were higher than in the prior year. In 2009 51% of the requests will be able to be funded. The largest amounts of unfunded requests were in the Information Services, Finance, Municipal Buildings, Police, Fire, Engineering and Highway Departments. The recommended amounts reflect the Mayor's decisions after recommendations from the department heads to reduce the departmental requests to the revenue available.

Capital assets are purchases of assets that are reasonably expected to last more than 12 months and benefit multiple years. Included in this category are all new capital assets and replacement capital assets that do not meet the criteria for inclusion in the equipment replacement program. Those capital assets that exceed the capitalization policy limits will be capitalized and depreciated over the estimated useful life of the asset.

The yearly amount to be funded for Capital Outlay requests is based on the requests of the departments and it is the intention that although the items purchased will vary each year the amount of the purchases and therefore the total tax levy will be approximately the same amount from year to year. The goal in this fund is to increase the tax levy by the amount of new growth in the City.

Monies for capital outlay purchases are obtained via the property tax levy, sale proceeds of retired capital assets other than those eligible for replacement in the Equipment Revolving Fund, investment earnings on unspent monies and any unspent funds from prior years.

New equipment requests must be made as part of the Capital Outlay Fund and are not allowed in the Equipment Revolving Fund. The Equipment Revolving Fund provides funding and purchases major equipment replacement needs.

CITY OF FRANKLIN 2009 BUDGET		2006 Actual	2007 Actual	2008 Adopted	2008 Amended	2008 Estimate	2009 Dept/Request	2009 Proposed	2009 Adopted	Percent Change
CAPITAL OUTLAY FUND										
REVENUE										
GENERAL PROPERTY TAXES	41.0000.4011	386,000	445,000	475,000	475,000	475,000	485,000	475,000	475,000	0.0%
GRANTS	41.0000.4157	35,580	187,107	0	0	0	0	0	0	
INTEREST ON INVESTMENTS	41.0000.4711	17,365	19,105	10,000	10,000	10,000	10,000	10,000	10,000	
INVESTMENT GAINS/LOSSES	41.0000.4713	700	2,311	0	0	0	0	0	0	
PROPERTY SALES	41.0000.4751	48,000	37,750	30,000	30,000	30,000	30,000	30,000	30,000	
MISCELLANEOUS REVENUE	41.0000.4799	7,784	50,000	0	0	0	0	0	0	
TRANSFER FROM OTHER FUNDS	41.0000.4830		54,195	63,300	0	0	28,900	28,900	28,900	
TRANSFER FROM GENERAL FUND	41.0000.4834		80,000	0	0	0	0	0	0	
TOTAL CAPITAL OUTLAY FUND REVENUE		495,429	875,468	578,300	515,000	515,000	553,900	543,900	543,900	-5.9%
EXPENDITURES										
General Government:										
Municipal Court	41-121	0	0	35,000	35,000	35,000	0	0	0	
City Clerk	41-141	2,728	1,008	0	0	0	0	0	0	
Elections	41-142	35,510	0	0	0	0	0	0	0	
Information Services	41-144	23,678	55,461	86,750	109,250	109,250	72,900	44,900	44,900	
Administration	41-147	7,037	1,542	3,700	5,700	5,700	3,600	3,600	3,600	
Finance	41-151	6,763	3,067	4,000	4,000	4,000	27,000	4,000	4,000	
Assessor	41-154	1,114	849	1,500	1,500	1,500	1,500	1,500	1,500	
Municipal Buildings	41-181	1,651	9,131	14,000	14,000	14,000	275,700	27,500	27,500	
Total General Government		78,481	71,058	144,950	169,450	169,450	380,700	81,500	81,500	-43.8%
Public Safety:										
Police	41-211	432,718	369,473	350,200	350,200	350,200	427,255	326,667	326,667	
Fire	41-221	70,885	208,317	104,400	41,100	41,100	104,187	81,069	81,069	
Building Inspection	41-231	8,799	2,432	2,650	2,650	2,650	2,650	2,650	2,650	
Emergency Notification System							30,000	0	0	
Total Public Safety		512,402	580,222	457,250	393,950	393,950	564,092	410,386	410,386	-10.2%
Public Works:										
Engineering	41-321	7,678	7,863	13,500	13,500	13,500	19,700	9,600	9,600	
Highway	41-331	35,279	44,434	57,150	103,150	103,150	104,700	41,000	41,000	
Street Lighting	41-351	6,041	0	0	0	0	0	0	0	
Total Public Works		48,998	52,297	70,650	116,650	116,650	124,400	50,600	50,600	-28.4%
Health and Human Services:										
Public Health	41-411	0	0	0	0	0	0	0	0	
Total Health and Human Services		0	0	0	0	0	0	0	0	0.0%
Culture and Recreation:										
Parks	41-551	24,406	8,371	15,000	19,000	19,000	15,000	15,000	15,000	
Total Culture and Recreation		24,406	8,371	15,000	19,000	19,000	15,000	15,000	15,000	0.0%
Conservation and Development:										
Planning	41-621	4,721	1,105	4,850	4,850	4,850	2,200	2,200	2,200	
Total Conservation and Development		4,721	1,105	4,850	4,850	4,850	2,200	2,200	2,200	-54.6%
Total Capital Outlay Expenditures		669,008	713,053	692,700	703,900	703,900	1,086,392	559,686	559,686	-19.2%
Excess of revenue over expenditures		-173,579	162,415	-114,400	-188,900	-188,900	-532,492	-15,786	-15,786	
Fund Balance, Beginning of Period		319,904	146,325	308,740	308,740	308,740	119,840	119,840	119,840	
Fund Balance, End of Period		146,325	308,740	194,340	119,840	119,840	-412,652	104,054	104,054	

CITY OF FRANKLIN

EQUIPMENT REVOLVING FUND

The Equipment Revolving Fund, established in 1996, is to provide resources for the replacement of rolling stock and similar equipment. Monies for purchases are obtained via the property tax levy, sale proceeds of retired rolling stock and investment earnings on monies in the revolving fund. A minimum purchase amount (\$20,000) and minimum life (seven years) are required for assets to be replaced from this fund. Expenditures for vehicle purchases fluctuate on an annual basis, depending on the need for replacement and condition of vehicles scheduled for replacement.

For 2009 the scheduled equipment revolving funding requests were significantly above the tax levy and other revenue expected to be received. This will cause the fund balance to decline. It is projected to stabilize at the \$1.2 million dollar level. The expected replacements over the next six years are as follows:

2009 –	\$676,229	2010 –	\$504,829	2011 –	\$349,683
2012 –	\$305,473	2013 –	\$282,817	2014 –	\$261,567

A goal of the program is to keep a relatively constant annual tax levy increased by the growth realized in the City. It became necessary to decrease the 2009 tax levy in this fund by \$50,000 due to the current economic circumstances. The expenses were decreased by deferring the 2009 request of the fire department and reducing the 2009 request of the building inspection department. It will be necessary to restore the tax levy support to this fund to avoid a long term deterioration of this fund.

Caution and planning needs to be exercised when additional equipment is added to the fund since these additions will impact future funding needs. The fund balance at the end of 2008 is expected to be about 14% of the replacement cost of the assets in the program. The projection prior to the revenue reduction showed the fund balance declining to about 12% of replacement cost the percentage is expected to stabilize at that level.

The replacement cost is estimated using recent acquisition costs plus an inflation factor. Costs of vehicles replaced to date under the program have been in line with the estimated replacement cost. The yearly amount to be funded was to be based on the annual depreciation cost for the equipment in place and used by the City. That funding formula has not been achieved in recent years. However the fund is expected to be able to maintain its level during the next decade. The challenge will be to fund the replacement of the larger cost items. Should one time funds become available Council should consider making transfers to this fund to reduce the need for future increases in tax levy for this fund.

CITY OF FRANKLIN 2009 BUDGET		2006 Actual	2007 Actual	2008 Adopted	2008 Amended	2008 Estimate	2009 Dept/Request	2009 Proposed	2009 Adopted	Percent Change
EQUIPMENT REVOLVING FUND										
REVENUE										
GENERAL PROPERTY TAXES	42.0000.4011	255,000	315,000	327,000	327,000	327,000	334,000	277,000	277,000	-15.3%
INTEREST ON INVESTMENTS	42.0000.4711	106,529	70,499	95,000	95,000	68,000	51,000	51,000	51,000	
INVESTMENT GAINS/LOSSES	42.0000.4713	4,296	8,529	0	0	0	0	0	0	
INTERFUND INTEREST	42.0000.4716		43,597	0	0	25,000	0	0	0	
PROPERTY SALES	42.0000.4751	16,278	3,127	10,000	10,000	10,000	10,000	10,000	10,000	
MISCELLANEOUS REVENUE	42.0000.4799		11,824	0	0	0	0	0	0	
TOTAL EQUIPMENT REVOLVING FUND REVENUE		\$382,103	\$452,576	\$432,000	\$432,000	\$430,000	\$395,000	\$338,000	\$338,000	-21.8%
EXPENDITURES										
CAPITAL OUTLAY										
MUNICIPAL BUILDINGS AUTO EQUIPMENT	42.181.0000.5811	0	0	0	0	0	0	0	0	
POLICE DEPARTMENT AUTO EQUIPMENT	42.211.0000.5811		37,656	35,000	35,000	35,000	45,000	45,000	45,000	
FIRE DEPARTMENT AUTO EQUIPMENT	42.221.0000.5811	105,174	321,282	166,000	166,000	166,000	148,000	0	0	
BUILDING INSPECTION AUTO EQUIPMENT	42.231.0000.5811	0	0	0	0	0	54,130	27,000	27,000	
ENGINEERING AUTO EQUIPMENT	42.321.0000.5811	0	0	0	0	0	0	0	0	
PUBLIC WORKS AUTO EQUIPMENT	42.331.0000.5811	136,907	334,516	589,000	678,000	678,000	263,000	263,000	263,000	
TOTAL EQUIPMENT REVOLVING FUND EXPENDITURES		242,081	693,454	790,000	879,000	879,000	510,130	335,000	335,000	-57.6%
EXCESS OF REVENUE OVER EXPENDITURES		140,022	-240,879	-358,000	-447,000	-449,000	-115,130	3,000	3,000	
FUND BALANCE, BEGINNING OF PERIOD		2,042,574	2,182,596	1,941,717	1,941,717	1,941,717	1,492,717	1,492,717	1,492,717	
FUND BALANCE, END OF PERIOD		\$2,182,596	\$1,941,717	\$1,583,717	\$1,494,717	\$1,492,717	\$1,377,587	\$1,495,717	\$1,495,717	

City of Franklin
Equipment Revolving Fund
Listing of Equipment Proposed to be Acquired - 2009

<u>Description</u>	<u>Amount</u>	Replaces: <u>Vehicle</u> <u>No.</u>	<u>Description</u>
Building Inspection Department Replacement Inspection Vehicle	<u>27,000</u>	771	1997 Jeep Cherokee
Highway Department Single Axle Dump w/ Plow. Wing & Salt Spreader	135,000	734	1990 Ford Single axle Dump Truck w/plow
Road Grader (Used)	100,000	701	1973 Austin-Western Road Grader
4X4 Compact Utility Tractor w/snow blower	28,000		John Deere Lawn Tractor
Total Highway Department	<u>263,000</u>		
Police Department Prisoner Conveyance Van	<u>45,000</u>	91	1998 Ford Econoline Van
Total 2009 Equipment Acquisitions	<u><u>\$335,000</u></u>		

City of Franklin
Equipment Revolving Fund
For Replacement of Rolling Stock
Next Five Years

Dept	#	Model	Historical Cost	Current Replacement Cost	Life	Purchase Year	Replace Year	Replacement Cost @ 3% Inflation	
Highway	-	John Deere Lawn Tractor	\$12,352	\$16,600	12	1997	2009	\$17,611	
Highway	17	Sicard Snow Blower *	\$10,800	\$45,667	30	1979	2009	\$48,448	
Highway	716	1985 Case International 585 Tractor/Mower	\$27,000	\$48,765	22	1987	2009	\$51,735	
Highway	734	1990 Ford 8000 Single Axle 5 yd dump w/plow	\$66,060	\$109,187	19	1990	2009	\$115,837	
Highway	701	1973 Austin-Western Road Grader *	\$23,200	\$137,001	35	1974	2009	\$145,345	
Highway	719	1997 Chevrolet K2500 Pick up Truck	\$23,378	\$31,418	12	1997	2009	\$33,331	
Highway	735	1991 Ford 8000 Single Axle 5 yd dump w/plow	\$65,000	\$104,306	18	1991	2009	\$110,658	
Police	91	1998 Ford Van (Prisoner conveyance)	\$32,002	\$41,755	11	1998	2009	\$44,298	
Inspect	775	1997 Jeep Cherokee *	\$15,752	\$25,511	12	1997	2009	\$27,065	
Inspect	771	1997 Jeep Cherokee *	\$17,752	\$25,511	12	1997	2009	\$27,065	
Inspect	774	1998 Jeep	\$19,808	\$25,845	11	1998	2009	\$27,419	
Inspect	776	1998 Jeep	\$19,808	\$25,845	11	1998	2009	\$27,419	\$676,229
Highway	737	1992 Ford L8000 Tandem Axle Dump w/plow *	\$48,824	\$114,168	18	1992	2010	\$124,754	
Highway	-	2000 Ransom Large Mower (Municipal Bldg)	\$35,973	\$44,242	10	2000	2010	\$48,345	
Highway	736	1992 Ford 8000 Single Axle 5 yd dump w/plow *	\$36,546	\$101,120	18	1992	2010	\$110,496	
Inspect	772	1999 Ford Explorer	\$23,099	\$29,261	11	1999	2010	\$31,974	
Inspect	770	1999 Ford Explorer	\$23,099	\$29,261	11	1999	2010	\$31,974	
Fire	220	1999 Chevy Command Vehicle	\$28,792	\$36,473	11	1999	2010	\$39,855	
Fire	219	2001 Ford Ambulance	\$90,000	\$107,465	9	2001	2010	\$117,430	\$504,829
Highway	746	1999 Ford F450 One Ton Dump	\$33,681	\$42,666	12	1999	2011	\$48,021	
Highway	738	1993 Ford 8000 Single Axle 5 yd dump w/plow	\$61,035	\$92,321	18	1993	2011	\$103,908	
Highway	739	1993 Ford 8000 Single Axle 5 yd dump w/plow	\$61,035	\$92,321	18	1993	2011	\$103,908	
Highway	05	2001 Vermeer 1800 Brush Chipper	\$25,135	\$30,013	10	2001	2011	\$33,779	
Inspect	777	2002 Ford Ranger	\$20,010	\$23,197	9	2002	2011	\$33,189	
Eng	754	2001 Chevrolet Venture	\$20,000	\$23,881	10	2001	2011	\$26,878	\$349,684
Highway	22	PB Slip-in Pot Hole Patcher -used *	\$6,000	\$23,881	20	1992	2012	\$27,685	
Highway	747	2000 Ford F450 One-Ton Dump Truck	\$34,389	\$42,294	12	2000	2012	\$49,030	
Highway	709	2000 New Holland 180LS Skid Steer	\$33,743	\$41,500	12	2000	2012	\$48,109	
Inspect	773	2003 Ford Explorer	\$21,623	\$24,337	9	2003	2012	\$29,995	
Eng	753	2004 Dodge Intrepid	\$14,550	\$16,376	9	2003	2012	\$25,109	
Fire	211	2002 Ford Ambulance - Med Unit	\$93,025	\$107,841	10	2002	2012	\$125,545	\$305,473
Highway	740	1995 Ford LTS8000 Tandem Axle Dump w/plow	\$79,912	\$113,935	18	1995	2013	\$136,045	
Highway	725	2002 John Deere Skid Steer	\$25,108	\$29,107	11	2002	2013	\$34,755	
Highway	16	Trail Boss 20 Ton Equipment Trailer	\$13,550	\$17,680	15	1998	2013	\$21,110	
Fire	207	1996 Ford F350 Grass Fire Truck	\$55,000	\$76,133	17	1996	2013	\$90,907	\$282,817
Highway	741	1996 Ford LTS8000 Tandem Axle Dump w/plow	\$79,668	\$110,279	18	1996	2014	\$135,629	
Fire	283	2004 Ford Ambulance	\$93,710	\$102,399	10	2004	2014	\$125,938	\$261,568

CITY OF FRANKLIN

STREET IMPROVEMENT FUND

Funding for the street improvement program comes from two sources: an every other year state grant of \$75,000 for Local Road Improvements and the property tax levy. The goal is to increase the tax levy annually by the amount of growth in the City. However due to the current economic circumstances the 2009 tax levy for this fund was decreased by \$150,000 from \$950,000 in 2008 to \$800,000 in the 2009 budget. That is less than is necessary to operate this program and to resurface the streets over a thirty year period. Some additional source of funding will be necessary or the level of streets to be resurfaced will need to be reduced.

This pavement resurfacing program provides the funds to complete major maintenance (resurfacing) of the City's 166 miles of local streets. The City is at a critical point relative to street maintenance due to the following factors:

- The newer curb and gutter streets that were constructed in the urban subdivisions beginning in the late 1960's are now reaching the condition that require certain streets to be resurfaced. A life of 30 years for pavement is considered very good.
- Beginning in the late 1960's the City began an aggressive program of sanitary sewer installation. In 1969 only about 5 percent of the City was served by sanitary sewer and presently about 95 percent of the City is served by sanitary sewer. Reconstruction of the streets was part of the sanitary sewer installation. Now, the streets that were reconstructed as part of the sanitary sewer installation are reaching a point that reconstruction is necessary.

During 2007 approximately 2.7 miles of streets were resurfaced and in 2008 4.24 miles of street resurfacing are planned. The formula for determination of the annual amount of funding divides the City streets into three categories: arterial streets, urban streets and rural street with each having a different cost per mile and a different useful life. The result of the formula is the 2009 funding needed in the Street Improvement Fund detailed as follows:

Arterial streets	$\$553,000 \times 12.5 \text{ miles} =$	$\$6,913,000 / 20 \text{ years} =$	$\$345,625$
Urban streets	$\$277,000 \times 99.0 \text{ miles} =$	$\$27,423,000 / 30 \text{ years} =$	$\$914,100$
Rural streets	$\$180,000 \times 54.5 \text{ miles} =$	$\$9,810,000 / 25 \text{ years} =$	$\$392,400$

The annual funding needs under this funding formula amount to \$1,652,125. Due to the continued upward pressure from oil prices resulting in increases in asphalt the Common Council will need to try to continue to increase funding committed to this fund to continue to be able to resurface five plus miles of local roads per year.

CITY OF FRANKLIN 2009 BUDGET		2006 Actual	2007 Actual	2008 Adopted	2008 Amended	2008 Estimate	2009 Dept/Request	2009 Proposed	2009 Adopted	Percent Change
STREET IMPROVEMENT FUND										
REVENUE										
General Property Taxes	47.0000.4011	762,000	910,000	950,000	950,000	950,000	970,000	800,000	800,000	-15.8%
Local Road Improvements Aids	47.0000.4151	0	79,077	75,000	75,000	75,000	0	0	0	
Interest on Investments	47.0000.4711	43,104	54,220	30,000	30,000	30,000	20,000	20,000	20,000	
Investment Gains/Losses	47.0000.4713	1,738	6,559	0	0	0	0	0	0	
Miscellaneous Revenue	47.0000.4799	23,365		0	0	0	0	0	0	
Total Revenue		\$830,207	\$1,049,856	\$1,055,000	\$1,055,000	\$1,055,000	\$990,000	\$820,000	\$820,000	-22.3%
EXPENDITURES										
Local Street Improvement Program	47.000.9500.5823	799,725	721,096	912,500	912,500	912,500	1,115,000	1,115,000	1,115,000	
Urban and Rural Streets										
Unfunded portion of projection										
OTHER FINANCING USES										
TRANSFER TO CAPITAL IMPROVEMENTS	47.000.0000.5598	72,800		0	0	0				
Total Street Improvement Fund Expenditures		872,525	721,096	912,500	912,500	912,500	1,115,000	1,115,000	1,115,000	22.2%
Excess of revenue over expenditures		-42,318	328,760	142,500	142,500	142,500	-125,000	-295,000	-295,000	
Net Assets, Beginning of Period		420,655	378,337	707,096	707,096	707,096	849,596	849,596	849,596	
Net Assets, End of Period		\$378,337	\$707,096	\$849,596	\$849,596	\$849,596	\$724,596	\$554,596	\$554,596	

FIVE YEAR ROAD IMPROVEMENT PLAN*
CITY OF FRANKLIN
JULY 2008

YEAR	PROJECT	ROAD TYPE	PROJECT COST	STREET IMPROVEMENT			CAPITAL IMPROVEMENT			TIF #3
				OTHER	FUND	OTHER	FUND	OTHER	FUND	
2008										
	W. Drexel Ave. (Construction)	A	\$ 1,200,000						\$50,000 ⁴	
	(Loomis Rd. to Lovers Lane)								\$1,150,000 ⁵	
	W. Drexel Ave. (Construction)	A	\$ 1,800,000							\$ 1,800,000
	(S. 27th to East of S. 35th St.)	U/R	\$ 910,000		\$ 910,000					
	Urban and Rural Streets		\$ 3,910,000		\$ 910,000				\$ 1,200,000	
	SUB-TOTAL			\$ 75,000	\$ (75,000)					
	Local Road Improvement Fund			\$ 75,000	\$ 835,000				\$ 1,200,000	\$ 1,800,009
	ANNUAL 2008 TOTAL		\$ 3,910,000	\$ 75,000	\$ 835,000	\$ -				
2009										
	S. 51st Street (Construction)	A	\$ 655,000							
	(Puetz to N of Ryan)									
	S. 116th Street (Construction)	R	\$ 460,000							
	(Swiss S to Ryan)									
	Marquette Ave/Hillendale Dr (Construction)	U	\$ 150,000						\$ 150,000	
	ANNUAL 2009 TOTAL		\$ 1,265,000	\$ -	\$ 1,115,000	\$ -			\$ 150,000	\$ -
2010										
	S. 51st Street (Design)	A	\$ 150,000						\$ 150,000	
	(Forest Hill to Drexel, Drexel Roundabout)									
	S. 51st Street (Construction)	A	\$ 240,000				\$ 240,000			
	(Puetz Road to Forest Hill)									
	S. 51st Street (Construction)	A	\$ 1,000,000				\$ 330,000		\$ 670,000	
	(Rawson to 1200' S)									
	S. 76th Street (Engineering)	A	\$ 50,000						\$ 50,000	
	(Imperial to Drexel)									
	Urban and Rural Roads	U/R	\$ 1,080,000				\$ 1,080,000			
							\$ (75,000)			
	Local Road Fund		\$ 2,520,000	\$ -	\$ 1,650,000	\$ -	\$ 870,000		\$ -	\$ -
	ANNUAL 2010 TOTAL		\$ 2,520,000	\$ -	\$ 1,650,000	\$ -	\$ 870,000		\$ -	\$ -

FUNDING FROM

⁴ Developer Modifications

⁵ Road Impact Fee

⁶ WDOT Grant

¹ Assessment of Property Owners

² Local Road Fund

³ TIF Funding

⁷ Assessment of Property Owners

FIVE YEAR ROAD IMPROVEMENT PLAN*
CITY OF FRANKLIN
JULY 2008

YEAR	PROJECT	ROAD TYPE	PROJECT COST	FUNDING FROM				TIF #3
				STREET IMPROVEMENT	CAPITAL IMPROVEMENT	OTHER	FUND	
				OTHER	FUND			
2011								
	S. 51st Street (Construction)	A	\$ 1,960,000		\$ 490,000		\$ 1,470,000	
	(Forest Hill to Drexel, Drexel Roundabout)							
	S. 76th Street (Construction)	A	\$ 1,000,000				\$ 1,000,000	
	(Imperial to Drexel)							
	W. Puetz Road (Design-ROW Acquisition)	A	\$ 350,000	\$ 280,000	\$ 70,000			
	(76th St. to St. Martins)							
	S. 51st Street (Design)	A	\$ 50,000				\$ 50,000	
	(1300' N of Rawson to Greendale)							
	Local Road Improvement	U/R	\$ 880,000		\$ 880,000			
	ANNUAL 2011 TOTAL		\$ 4,240,000	\$ 280,000	\$ 1,440,000	\$ -	\$ 2,520,000	\$ -
2012								
	S. 51st Street (Construction)	A	\$ 1,400,000		\$ 250,000		\$ 1,150,000	
	(1300' N of Rawson to Greendale)							
	W. Puetz Road	A	\$ 3,000,000	\$ 2,400,000	\$ 600,000			
	(76th St. to St. Martins)							
	Local Road Improvement	U/R	\$ 800,000		\$ 800,000			
	Local Road Fund				\$ (75,000)			
	ANNUAL 2012 TOTAL		\$ 5,200,000	\$ 2,400,000	\$ 1,575,000	\$ -	\$ 1,150,000	\$ -
2013								
	W. Puetz Road	A	\$ 150,000		\$ 150,000			
	(S. 27th St. to 43rd St.)							
	Local Road Improvement	U/R	\$ 1,500,000		\$ 1,500,000			
	ANNUAL 2013 TOTAL		\$ 1,650,000	\$ -	\$ 1,650,000	\$ -	\$ -	\$ -
	TOTAL ARTERIAL:		\$ 13,005,000	\$ 2,680,000	\$ 2,785,000	\$ -	\$ 5,740,000	\$ 1,800,000
	TOTAL ALL:		\$ 18,785,000	\$ 2,755,012	\$ 8,265,000	\$ -	\$ 5,890,000	\$ 1,800,009

CITY OF FRANKLIN

CAPITAL IMPROVEMENT FUND 2009 BUDGET AND CAPITAL IMPROVEMENT PLAN

Maintaining a capital improvement plan (CIP) is an important financial planning tool to allow the City to structure the review and funding of capital improvement projects competing for limited resources. A CIP helps to schedule the availability of resources to meet needs when they occur. Annually the Council adopts a capital budget, which is the first year of the CIP, which details the projects to be accomplished in the coming year. Changes to project amounts or additions to the budget need to be approved by the Council, similar to other funds with adopted budgets.

As a general guideline, capital improvement expenditures are defined as those amounts expended for infrastructure with long useful lives that would require significant amounts of funds. Resurfacing the City streets is funded through the Street Improvement Fund. Rolling stock and similar equipment replacements are funded via the City's Equipment Revolving Fund. Replacement of equipment used in department operations costing less than \$20,000 and new types of equipment are funded as part of each department's Capital Outlay Fund budget.

Capital improvements revenue sources can include long-term debt, one-time revenue, grants, transfers from other funds, and interest earnings. Typically the City has used long-term debt to fund its capital expenditures. Another indirect source of funding for infrastructure improvements is special assessments. When the City makes improvements such as sewer, water, or other infrastructure, the abutting property owners are assessed their pro-rata share of the cost. The construction costs for assessment projects are paid with borrowed funds, and assessment collections then are used to apply to a portion of the debt service on the borrowed monies.

The City's CIP is refined annually to include approved and pending projects as a result of planning efforts from the Council and other boards or commissions. For the 2009 budget, the following projects are contemplated:

Park Development – The development of park sites are scheduled this year. (\$305,000). City funds and Impact fees are anticipated to cover the costs of these projects.

Future capital projects are included in the capital improvement plan after a policy decision of the Council. Presently \$16 million in potential future road projects are awaiting a policy decision. In addition to those road projects that have not been authorized, scheduled or approved other known projects have been included. Sources for the listing of potential other projects was the 2002 Impact fee study and information from that report, Park Commission input and a 2007 report on roads prepared by the City Engineer.

Future Park Improvements – The City is committed to the future improvement of its park system. To assist the parks committee in planning future developments, needs have been projected for future projects through 2010.

Community Recreation Center – The purchase of land for the development of a recreation center. (\$1,100,000)

27th Street corridor

Also currently under study is development and infrastructure costs in the 27th Street corridor. The costs and financing of those costs are currently under discussion and may have an impact on the Capital Improvement Fund in future years to the extent that those costs are not attributable to TIF District's.

Road Projects – (timing is yet to be determined)

When a road project is committed (ie contract or an agreement with another jurisdiction) it is considered appropriated and tax levy support equal to the anticipated future annual debt service needs to be included in the next City tax levy computation.

51st Street N of Rawson to Greendale – The conversion of this two lane rural street into a four lane urban undivided roadway with sidewalks (\$1,296,000)

51st Street S of Rawson to S of Drexel – The conversion of this two lane rural street into a four lane urban undivided roadway with sidewalks with a potential roundabout at Drexel. (\$1,790,000)

51st Street S of Drexel to 2660' South – The conversion of this two lane rural street into a four lane urban undivided roadway with sidewalks. (\$1,540,000)

51st Street S 2660' South to Puetz Road – The conversion of this two lane rural street into a four lane urban undivided roadway with sidewalks. (\$1,246,000)

76th Street Road Improvements – Terrace Drive to Puetz Road. The City's potential share, if any, of a County project to improve 76th Street to be determined.

76th Street Road Improvements – Puetz Road to County Line Road. The City's share of a County project to improve 76th Street .

College Avenue Road Improvements – 27th Street to 43rd Street. The City's share of a County project to improve College Avenue.

W Puetz Road – 76th Street to St Martins Road. Rebuild this two lane rural street into a two lane urban roadway with sidewalks utilizing a STP Urban grant. (\$557,000)

W Puetz Road – 27th Street to 43rd Street. Rebuild this two lane rural street into a two lane urban roadway with sidewalks utilizing a future STP Urban grant. (\$600,000)

**City of Franklin
Capital Improvement Plan
2009-2013**

		Amended	Estimate	Budget	Forecast				Estimated
		2008	2008	2009	2010	2011	2012	2013	Future
									Projects
Revenue:									
Proceeds from borrowing-10 year	46.0000.4911	-	-	-	100,000	-	550,000	-	
Grants	46.0000.4143	170,000	170,000	-	320,000	80,000	2,209,600	-	
Miscellaneous Revenue	46.0000.4781	54,000	54,000	-	-	-	-	-	
Transfer from Connection Fees - Sewer	46.0756.4833	800,177	800,177	750,000	750,000	750,000	750,000	750,000	
Transfer from Connection Fees - Water	46.0755.4833	890,559	890,559	750,000	750,000	750,000	750,000	750,000	
Transfer from Impact Fees-Development	46.0000.4839	1,560,000	1,560,000	305,000	1,143,300	-	-	-	
Transfer from Other Funds	46.0000.4830	2,500,000	2,500,000	-	-	-	-	-	
Interest revenue	46.0000.4711	75,000	75,000	25,000	2,000	2,000	2,000	2,000	
Total Revenue		6,049,736	6,049,736	1,830,000	3,065,300	1,582,000	4,261,600	1,502,000	
Expenditures:									
Approved Projects:									
New Fire Station # 3 - Planning	46.181.9567.5822	253,400	253,400						
New Fire Station # 3		1,350,000	1,350,000						
Drexel Ave - Hwy 100 to Loomis Road		1,300,000	1,300,000						
Special Assessments System - Land Mgt.	46.000.9993.5219	25,000	25,000						
GIS Custom Tool Rewrite Project		57,600	57,600						
Interest Expense	46.000.0000.5621	50,000	50,000						
Water Projects	46.755.0000.5830	750,000	750,000	750,000	750,000	750,000	750,000	750,000	
Sewer Projects	46.756.0000.5829	750,000	750,000	750,000	750,000	750,000	750,000	750,000	
Bond Issue Costs	46.000.0000.5601	25,000	25,000						
Transfer to Debt Service Fund	46.000.0000.5593								
Total Approved Projects		4,561,000	4,561,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	-
Projects Pending Approval:									
51st Street S of Rawson Avenue									500,000
51st Street N of Rawson to Greendale									1,296,000
51st Street S of Rawson to S of Drexel									1,790,000
51st Street S of Drexel to 2660' S									1,540,000
51st St 2660' S of Drexel to Puetz Rd									1,246,000
Puetz Road -76th St to St Martins									557,000
Puetz Road -27th St to 43rd Street					400,000	100,000	2,762,000		
South 76th St - Puetz to Imperial Dr	46.000.9249.5829								4,687,750
College Avenue S27th St to S43rd St									1,150,000
South 76th St - Puetz to County Line									3,500,000
Extension W Marquette and Hillendale									
Warning Sirens Engineering				15,000					
Website Redevelopment - phase 2		25,000	25,000						
Hillcrest Neighborhood Park		350,000	350,000						
Woodview Park		570,000	570,000						
Cascade Creek Park		200,000	200,000						
St Martins Bike Trail		352,000	352,000						
Ernie Lake Park		20,000	20,000						
Park Site Development				305,000	96,600				
Grants to Historical Society		22,000	22,000						
Community Recreation Center					1,100,000				
Other	46.999.0000.5499	175,000	175,000						
Total Projects not yet Approved		1,714,000	1,714,000	320,000	1,596,600	100,000	2,762,000	-	16,266,750
Total expenditures		6,275,000	6,275,000	1,820,000	3,096,600	1,600,000	4,262,000	1,500,000	16,266,750
Net change in fund balance		(225,264)	(225,264)	10,000	(31,300)	(18,000)	(400)	2,000	
Beginning fund balance (projected)		275,802	275,802	50,538	60,538	29,238	11,238	10,838	
Ending fund balance		50,538	50,538	60,538	29,238	11,238	10,838	12,838	